UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
Region I - EPA New England

Drafted Date: September 22, 2011
Finalized Date: September 27, 2011
SUBJECT: Partial Compliance Evaluation of Sprague Terminal in Newington, NH (Avery Lane Terminal)

FROM: Elizabeth Kudarauskas, Environmental Engineer, Air Technical Unit

THRU: Christine Sansevero, Senior Enforcement Coordinator, Air Technical Unit

TO: File

I. Facility Information
A. Facility Name: Sprague
B. Facility Location: Avery Lane Terminal, Newington, NH
C. Facility Mailing Address: 194 Shattuck Way, Newington, NH
D. Facility Contact: Dwayne Seekins
E: AFS #: 3301500041

II Background Information
A. Date of inspection: July 28, 2011
B. Weather Conditions: sunny, mid-80's
C. US EPA Representative(s):
Beth Kudarauskas, OES Air Tech Unit
Bill Osbahr, OEME
Mike Looney, OEME
D. State Representative(s):
None

III Purpose of Inspection
The purpose of this inspection was to gather information to evaluate the facility's compliance with environmental regulations pertaining to air, including state permitting requirements, with an emphasis on potential VOC emissions from the storage of #6 oil and asphalt.

IV Facility Description

A. Company / Facility History:
Sprague is a wholly owned subsidiary of Axel Johnson Inc., a member of the Axel Johnson Group of Stockholm, Sweden. The company was incorporated on 10/9/1987 in the state of Delaware. Sprague owns and operates a bulk fuel distribution terminal with loading rack in

Newington, NH.

V Inspection

A. Entry:
The inspectors entered the facility at approximately 1:15 pm. Ms. Kudarauskas showed her credentials to the terminal security.

B. Opening Conference:
The inspectors were joined by Ms. Hernberg of Sprague for the opening conference. The inspectors explained that they were there to conduct an inspection of the facility to evaluate compliance with air regulations. Ms. Kudarauskas made clear that the inspectors were not conducting a full compliance evaluation. The inspectors explained that they planned to spend some time at the facility asking questions, touring the facility, and using leak detection equipment including a FLIR camera and TVA 1000. Results from the leak monitoring and the FLIR camera will be included as an attachment to this report when available from OEME.

Ms. Hernberg provided the inspectors with a facility map (Attachment A) to facilitate the discussion. The Sprague Avery Lane Terminal in Newington, NH operates a marine dock. All asphalt at the Avery Lane Terminal comes in by ship or barge and leaves the terminal by truck. Sea 3, a LPG facility located next to Sprague's Avery Lane Terminal, also uses Sprague's marine dock.

Most of the product at the terminal is not owned by Sprague. Sprague does have two burners (not boilers) that burn natural gas and have the ability to burn #2 oil. The burners are used to heat Paratherm, a heat transfer fluid, which is used to heat the tanks.

The Sprague Avery Lane Terminal has a total of 10 large tanks of asphalt. At the time of the inspection, Tank 5, Tank 2 and Tank 8 were active tanks with asphalt. Tank 1 and Tank 11 are out of service.

In addition to asphalt, Sprague's Avery Lane Terminal also stores #2 oil in small amounts and aviation gas. The aviation gas is loaded into trucks and rail cars. Sprague has a vapor combustor for the aviation gas, but it is not connected to the rail car loading operation.

At the time of the inspection Sprague had a ship at the marine dock. The ship had offloaded the shipment of asphalt earlier in the day.

C. Plant Walkthrough
The facility tour began at the marine dock. The ship was still at the dock at the time of inspection (see photo log).

The inspectors climbed onto asphalt Tank 4. Tank 4 was one of the tanks that had received

asphalt from the ship earlier in the day. Sprague's Avery Lane Terminal has an odor control system on all of the asphalt tank vents (see photo log). The odor control system takes vapors from the tank vents and directs them through a common header to a carbon bed. Sprague only operates the odor control system when the tanks are being filled and are actively pushing vapors out of the tanks. When the tanks are idle, the odor control system is shut off. To shut off the system a facility operator walks through the facility and manually opens the tank vents to the atmosphere. When in the ambient position, the tank vent is piped to ground level, where a bucket collects condensate (see photo log).

Sprague's policy is to always have someone on top of a tank when it is being filled. Sprague feels that the odor control system also reduces the worker exposure during tank filling.

The carbon bed that is used for odor control at Avery Lane had not been changed out for at least six years because it is not used frequently.

D. Record Review and Closing Conference

In the office, Ms. Kudarauskas was provided with the tank information requested during the inspection (tank level, capacity, and temperature). The inspectors thanked the facility representatives for their time and cooperation.

The inspectors left the facility at approximately 2:45 pm.